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6 General Bankruptcy Counsel for
Thomas H. Casey, Chapter 11 Trustee
7

8 **UNITED STATES BANKRUPTCY COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION**

10 In re

Case No. 8:22-bk-10296-SC

11 ARIAN MOWLAVI,

Chapter 11 Proceeding

12 Debtor.

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15 **CHAPTER 11 TRUSTEE'S AMENDED
MOTION FOR ORDER APPROVING
COMPROMISE OF CONTROVERSY
WITH STATE COURT TORT
CLAIMANTS; MEMORANDUM OF
POINTS AND AUTHORITIES; AND
DECLARATION OF THOMAS H. CASEY**

16 Hearing:

17 Date: December 13, 2023
Time: 1:30 p.m.
Place: Courtroom 5C [via ZoomGov]
411 West Fourth Street
Santa Ana, CA 92701

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20 **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES**
21 **BANKRUPTCY JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, AND TO**
22 **ALL INTERESTED PARTIES:**

23 Thomas H. Casey, Chapter 11 Trustee (the "Trustee") for the bankruptcy estate ("Estate")
24 debtor Arian Mowlavi, M. D., ("Dr. Mowlavi" or "Debtor"), files this amended¹ motion (the
25 "Motion") seeking an Order approving the compromise of controversy with certain holders of
26 state court tort and medical malpractice claims (the "Claimants") as embodied in the written

27 ¹ The motion as originally filed [Doc. 500] ("Original Motion") inadvertently attached a version
28 of the Agreement that listed the full names of each of the Claimants. The only difference
between this Motion and the Original Motion is that the Agreement attached is appropriately
redacted.

1 settlement agreement attached hereto as Exhibit "1" (the "Agreement").

2 The following are the initials of the Claimants that are parties to the Agreement and the
3 Stretto number of their claims:: AMG, Claim No. 37; GG, Claim No. 18; BC, Claim No. 22; BH,
4 Claim No. 19; CC, Claim No. 23, CJ, Claim No. 24, CL, Claim No. 25; CSJ, Claim No. 26; DP,
5 Claim No. 6; GC, Claim No. 27; JH, Claim No. 28; KA, Claim No. 29; KM , Claim No. 30; MM,
6 Claim No. 8; LG, Claim No. 9; LS, Claim No. 10; MP, Claim No. 31; NB, Claim No. 11; SL,
7 Claim No. 32; TA, Claim No. 12; JA, Claim No. 13; VS, Claim No. 33; JLA, Claim No. 38; XA,
8 Claim No. 20; BB, Claim No. 14; ME, Claim No. 39; NF, Claim No. 34; AG, Claim No. 40;
9 LLG, Claim No. 41; EL, Claim No. 35; BP, Claim No. 15; MS, Claim No. 36; SS, Claim No. 21;
10 DV, Claim No. 16; RV, Claim No. 17; KD, Claim No. 43. A chart listing the claims and amounts
11 submitted to Stretto by each of the Claimants is attached as Exhibit "2" to the Casey Declaration.

12 The Agreement will resolve the Claimants' medical malpractice, tort and related claims
13 arising under state law against the Debtor as asserted in the action currently pending before the
14 Orange County Superior Court (the "State Court"), Case, No. 30-2021-01238424 (the "Action").
15 By the Agreement, the Debtor's insurance company, The Doctor's Company (the "Insurance
16 Company"), will pay the Claimants \$6,000,000 (the "Settlement Consideration"), to be allocated
17 among the Claimants as determined by the Honorable Linda S. Marks, Retired Judge, of Judicate
18 West. In exchange for the Settlement Consideration, the Claimants will release all claims against
19 the Debtor, all of his representatives, agents, employees, alter egos, related entities, insurers,
20 predecessors, principals, successors-in-interest, heirs and assigns, and the Trustee on behalf of the
21 Estate. The Agreement will fully insulate the Estate from liability for the Action and the Claims,
22 and will resolve the Claims, which represent a significant proportion of the claims asserted in this
23 bankruptcy case.

24 The Trustee seeks approval of the Agreement. Pursuant to Rule 9019 of the Federal Rules
25 of Bankruptcy Procedure, the Court may approve reasonable settlements and compromises of
26 claims. Here, the Claimants have filed the Action in State Court asserting various medical
27 malpractice, tort, and related claims against the Debtor. These claims together represent the
28 largest and most uncertain liability against the Estate; however, they are subject to payment by

1 the Debtor's Insurance Company. The Trustee, the Debtor, the Insurance Company, and the
2 Claimants wish to resolve the Claimant's claims against the Debtor and the Estate without the
3 need for further litigation. The Agreement will resolve and limit the Estate's liability for the
4 Claimants' claims to solely the amounts paid by the Insurance Company, without the need for
5 further litigation or disputing the claims individually.

6 This Motion is made pursuant to 11 U.S.C. §§ 105 and 323(a), Rules 2002 and 9019 of
7 the Federal Rules of Bankruptcy Procedure (the "Rules"), and Rule 9013-1(o) of the Local
8 Bankruptcy Rules, and is made on the grounds that the proposed Agreement is in the best interest
9 of the Estate and its creditors.

10 This Motion is based on the Memorandum of Points and Authorities and Declaration of
11 Thomas H. Casey (the "Casey Declaration") set forth below, the exhibits attached thereto, the
12 concurrently filed Notice of this Motion served on all creditors and interested parties entitled to
13 notice, all pleadings, papers, and records on file with the Court in this proceeding, and on such
14 other evidence, oral or documentary, as may be presented to and considered by the Court, in
15 connection with this Motion and any hearing held hereon.

16 **WHEREFORE**, Trustee respectfully requests that the Court enter an Order:

- 17 1. Granting the Motion;
- 18 2. Approving the Agreement attached as Exhibit "1" to this Motion.
- 19 3. Authorizing the Trustee to take such actions and execute such documents as are
20 necessary to consummate the Agreement, including but not limited to authorizing the Insurance
21 Company to pay the settlement consideration, without further order of the Court;
- 22 4. Granting such other and further relief as the Court deems appropriate.

23 Dated: November 21, 2023

RINGSTAD & SANDERS LLP

25 By: /s/ Todd C. Ringstad
26 Todd C. Ringstad
27 General Bankruptcy Counsel for
28 Thomas H. Casey, Chapter 11 Trustee

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **SUMMARY OF ARGUMENT**

4 This is a motion to approve a settlement agreement between the Chapter 11 Trustee,
5 Thomas H. Casey, the Debtor, and the Claimants, to resolve various medical malpractice and
6 other tort claims asserted by the Claimants against the Debtor and the Estate. Under the
7 Agreement, the Debtor's insurance company will pay \$6,000,000 to the Claimants, to be allocated
8 among the Claimants as determined by the Honorable Linda S. Marks, Retired Judge, of Judicate
9 West. Given the costs and risk of litigating each Claimant's claim individually, and the fact that
10 the Settlement Amount will be paid entirely by the Debtor's insurance company, the Trustee has
11 determined that the Agreement is in best interests of the Estate and its creditors and submits that
12 the Agreement satisfies the requirements of Rule 9019 of the Federal Rules of Bankruptcy
13 Procedure.

14 Therefore, the Trustee respectfully requests that the Court enter an order granting the
15 Motion and approving the Agreement.

16 **II.**

17 **STATEMENT OF FACTS**

18 **A. General Background**

19 On February 21, 2022 (the "Petition Date"), the Debtor filed a voluntary petition under
20 Chapter 11 of Title 11 of the United States Code [Doc. 1]. The Debtor is a licensed physician in
21 the State of California, operating a medical practice known as A.M. Cosmetic Surgery Clinics, Inc.

22 On July 13, 2022, creditors describing themselves as the "State Court Tort and Medical
23 Malpractice Claimants" filed a Motion for Order Re: Appointment of a Chapter 11 Trustee
24 Pursuant to Section 1104(a) of the Bankruptcy Code (the "Trustee Motion") [Doc. 104], and
25 related pleadings. After several hearings, briefing by multiple parties, and the appointment of and
26 report by an examiner, the Court found cause to order the appointment of a Chapter 11 trustee.

27 See Doc. 193. On December 27, 2022, the Court entered an order approving the appointment of
28 Thomas H. Casey as Chapter 11 Trustee. See Doc. 203.

1 **B. State Tort Claimants**

2 On March 14, 2022, the Claimants filed a First Amended Complaint for Damages: (1)
3 Battery; (2) Negligent Hiring, Training, Supervision and Retention; (3) Medical Battery; (4)
4 Intentional Misrepresentation; (5) Negligent Misrepresentation; (6) Fraudulent Concealment; (7)
5 Medical Malpractice; (8) Lack of Informed Consent; (9) Negligence Per Se; (10) Violations of
6 Business Code Section 17200; (11) Intentional Infliction of Emotional Distress; (12) Constructive
7 Fraud (Civ. Code §1573); (13) Negligent Failure to Warn; (14) Loss of Consortium; (15) Invasion
8 of Privacy – Public Disclosure of Private Facts; (16) Invasion of Privacy – Appropriation of
9 Name or Likeness; (17) Invasion of Privacy – Use of Name or Likeness; (18) Breach of Fiduciary
10 Duty – Duty of Confidentiality; (19) Breach of Fiduciary Duty – Duty of Undivided Loyalty; (20)
11 Breach of Fiduciary Duty – Failure to Use Reasonable Care; (21) Violation of Civil Code Section
12 3344 – Statutory Misappropriation of Likeness (the “Complaint”), continuing the action currently
13 pending before the Orange County Superior Court (the “State Court”), Case, No. 30-2021-
14 01238424 (the “Action”).

15 After the Petition Date, Stretto, Inc. was appointed claims agent in this case. Polis &
16 Associates and/or Ikuta Hemesath LLP filed 36 claims, Stretto Claim Nos. 6, 8-41 and 43
17 (collectively, the “Claims”) on behalf of the State Court Claimants. A chart listing the initials,
18 Stretto Claim No., and amount asserted by each Claimant is attached as Exhibit “2” to the Casey
19 Declaration. A copy of the Complaint was attached to each of the Claims. The Claims total more
20 than \$16,000,000, and represent the vast majority of the total claims asserted against the Estate.

21 The Debtor disputes the Action and the Claims.

22 The Debtor is represented in the Action by attorney Terrence J. Schafer, who was engaged
23 by and paid by The Doctor’s Insurance Company (the “Insurance Company”), which provided to
24 the Debtor the professional liability insurance policies for the years implicated by the Claims.
25 Mr. Schafer has actively negotiated with the Claimants’ counsel on behalf of the Insurance
26 Company, the Debtor, and the Estate, to reach a resolution of the Action and the Claims and
27 negotiate a streamlined process by which the amount to be paid to each Claimant, if any, shall be
28 determined.

Rather than continue to engage in expensive and time-consuming litigation over the Debtor and the Estate's liability for the Action and the Claims, and desiring to resolve the Action and Claims without the delay, expense, and uncertainty of further litigation, the Parties have successfully negotiated a resolution to the Action that will expeditiously liquidate and resolve the disputed Action and Claims without the need for further litigation. The Insurance Company has agreed to fund the entirety of the Settlement Amount.

C. The Terms of the Agreement

The Parties now desire to resolve the Action and Claims, including limiting the total potential liability of the Debtor, his related entities, the Estate, and the Insurance Company, and establishing a streamlined process for determining the amount payable to each Claimant, without the delay, uncertainty, and expense of further legal proceedings. Court approval and performance of the Agreement² attached as Exhibit "1" will achieve these ends.

Under the terms of the Agreement:

- 1) The Insurance Company has agreed to pay the Claimants \$6,000,000 (the "Settlement Consideration"), payable to the Ikuta Hemesath Client Trust Account within 50 days of the full execution of the Agreement.
- 2) The Trustee has agreed, subject to the approval of this Court, to authorize the payment of the Settlement Consideration by the Insurance Company.
- 3) Concurrently with execution of the Agreement, counsel for the Claimants shall deliver to Mr. Schafer a fully executed request for dismissal of the Action with prejudice ("Request for Dismissal"). Counsel for the Claimants authorizes Mr. Schafer to file the Request for Dismissal with the State Court after counsel for the Claimants confirms receipt of the Settlement Consideration.

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² The description of the proposed Agreement set forth here is intended to summarize the material terms of the Agreement for the convenience of the reader. In the event of any inconsistency between the summary and the actual terms of the Agreement, the terms of the Agreement shall control.

- 1 4) Within five days of receiving the Settlement Consideration, counsel for the Claimants
2 will file a release and withdrawal of the Claims with the Bankruptcy Court.
- 3 5) The Settlement Consideration will be allocated among the Claimants as determined by
4 the Honorable Linda S. Marks, Retired Judge, of Judicate West. Judge Marks will be
5 provided all pictures, medical records, bills, and other pertinent documents as part of
6 her decision process. Each Claimant will also have the right to submit a two-page
7 summary and/or a video not to exceed 5 minutes for submission to Judge Marks for
8 her consideration.
- 9 6) Judge Marks's decisions regarding allocation and distribution will be binding. Once
10 Judge Marks makes her decision as to allocation of the funds, there will be no rights of
11 any Claimant to seek reconsideration, appeal, or opt out of Judge Marks'
12 decision. The costs of utilizing Judge Marks as an allocation officer shall be borne
13 entirely by the Claimants. The overall costs of this matter incurred by the attorneys
14 for the Claimants shall be apportioned in proportion to Judge Marks' allocation.
- 15 7) In exchange for the Settlement Consideration, the Claimants will release all claims
16 against the Debtor, all of his representatives, agents, employees, alter egos, related
17 entities, insurers, predecessors, principals, successors-in-interest, heirs and assigns,
18 and the Trustee on behalf of the Estate (the "Released Parties"). The Claimants waive
19 Section 1542 of the California Civil Code and release any and all claims which they
20 may have against the Released Parties, or which relate in any way or were caused by
21 the incidents as described in the Action.
- 22 8) The Claimants agree that neither they nor their attorneys nor their representatives shall
23 publish or cause to be published any disparaging comments about the Released
24 Parties, and to otherwise refrain from posting any negative reviews or comments about
25 the care rendered by the Released Parties in any public forum, social media or website.
26 The Claimants agree to withdraw, take down, or delete any prior disparaging
27 comments about the Released Parties that they have posted or published on the
28 internet or any social media platform. The Claimants also agree they shall not

1 publicly disclose any of the terms of the Agreement, or the allegations giving rise to
2 this litigation, other than what has been disclosed prior to the signing of the
3 Agreement, except as required by law. Nothing about this confidentiality clause is
4 intended to prevent any party from communicating with the California Medical Board
5 or with their respective tax advisors, and this confidentiality clause expressly does not
6 preclude disclosure of this information in any other litigation, legal proceeding, tax or
7 bankruptcy proceedings. Nothing about this Agreement is intended to preclude any
8 aspect of the testimony of any witness in that ongoing litigation or any other legal
9 proceeding, including any pending action for civil or criminal penalties against the
10 Released Parties.

11 9) The Debtor and Chalene Johnson agree to a mutual and full release of all claims with
12 regard to each other, including but not limited to a dismissal with prejudice of all legal
13 proceedings in Orange County Superior Court Case No. 30-2021-01226133, along
14 with any cross-complaints, appeals, and anti-SLAPP motions.

15 10) The Agreement is subject to Bankruptcy Court approval.

16 By the Motion, the Trustee seeks the Court's approval of the compromise that he reached
17 with the Claimants as memorialized and agreed to in the Agreement attached hereto as Exhibit
18 "1."

19 **III.**

20 **ARGUMENT AND APPLICABLE LEGAL AUTHORITY**

21 **A. With Court Approval, a Trustee May Compromise Claims of the Estate.**

22 Federal Rule of Bankruptcy Procedure 9019(a) provides:

23 On motion by the trustee and after notice and a hearing, the court may
24 approve a compromise or settlement. Notice shall be given to
25 creditors, the United States trustee, the debtor and indenture trustees
 as provided in Rule 2002 and to any other entity as the court may
 direct.

26 Accordingly, upon appropriate notice, the Court may approve a compromise or settlement.

27 In the instant case, the entire Notice of Motion and Motion has been served on the Debtor,

28 Debtor's bankruptcy counsel, all parties requesting special notice, and the United States Trustee.

1 A separate Notice of the Motion and the hearing on the Motion has been served on all creditors
2 and other parties in interest entitled to notice.

3 **B. The Agreement Should Be Approved.**

4 The Ninth Circuit has stated that, “The purpose of a compromise agreement is to allow the
5 trustee and the creditors to avoid the expenses and burdens associated with litigating sharply
6 contested and dubious claims.” *Martin v. Kane (In re A&C Properties)* 784 F.2d 1377, 1380-81
7 (9th Cir. 1986) *cert. denied sub nom, Martin v. Robinson* 479 U.S. 854 (1986) (“A&C
8 Properties”). The Bankruptcy Court has great latitude in approving a compromise so long as it
9 finds that the compromise is fair and equitable. *Id.* at 1382; *see also, Woodson v. Fireman’s Fund*
10 *Insurance Company (In re Woodson)* 839 F.2d 610, 620 (9th Cir. 1988) (“Woodson”); *Burton v.*
11 *Ulrich (In re Schmitt)* 215 B.R. 417, 421 (9th Cir. BAP 1997) (“Burton v. Ulrich”).

12 Moreover, in approving a settlement the Court is not required to conduct an exhaustive
13 investigation into the validity of the merits of the claims sought to be compromised as a
14 precondition to approving the Agreement. *U.S. v. Alaska Nat’l Bank (In re Walsh Constr., Inc.)*,
15 669 F.2d 1325, 1328 (9th Cir. 1982). The Court need only find that the settlement was negotiated
16 in good faith and is reasonable, fair, and equitable. *In re A&C Properties, supra*, 784 F.2d at
17 1381; *see also Protective Committee of Independent Stockholders of TMT Trailer Ferry, Inc. v.*
18 *Anderson*, 390 U.S. 414, 424 (1968) (establishing “fair and equitable” standard for approval of
19 compromises in bankruptcy).

20 The Ninth Circuit Court of Appeals and the Bankruptcy Appellate Panel for the Ninth
21 Circuit have consistently held that a Bankruptcy Court must consider four factors in determining
22 whether to approve a compromise:

- 23 (a) The probability of success in the litigation;
24 (b) The difficulties, if any, to be encountered in the matter of collection;
25 (c) The complexity of the litigation involved, and the expense, inconvenience and
26 delay necessarily attending to it; and
27 (d) The paramount interest of the creditors and a proper deference to their reasonable
28 views.

1 *A&C Properties, supra* at 1381; *In re Woodson, supra* at 620; *Burton v. Ulrich, supra*, at 421.

2 When evaluating the four *A&C Properties* factors, “courts need not rule upon disputed
3 facts and questions of law, but rather only canvass the issues.... A mini-trial on the merits is not
4 required.” *Burton v Ulrich, supra*, at 423. While the court must make an independent
5 determination, the judgment of the trustee deserves some deference. *In re West Pointe Properties,*
6 *LP* 249 B.R. 273, 281 (Bankr. E.D. Tenn. 2000).

7 In this case, an analysis of the four A&C Properties factors with respect to the Agreement
8 reveals the following:

9 **1. The Probability of Success in the Litigation**

10 The probability of the Trustee and Debtor succeeding in litigation against the Claimants is
11 uncertain, and would depend both on the factual evidence that can be developed with respect to
12 each of the individual claims, as well as upon application of the law to such facts. Accordingly,
13 there is significant uncertainty regarding whether the Trustee and Debtor would be able to defeat
14 the Claimants claims asserted in the Action. In the event that a jury found that the Debtor is liable
15 and the Court entered judgment(s) against the Debtor, the Debtor’s insurance likely would cover
16 such judgments; to the extent that judgments are entered in excess of the Debtor’s insurance
17 limits, the Estate would be liable for those amounts.

18 Thus, the Trustee believes that there are substantial risks and significant costs required to
19 be incurred by each side if the parties were to litigate their disputes to a conclusion. In light of
20 such risks and costs, the Trustee believes that the Agreement constitutes a reasonable compromise
21 of the disputed matters. Accordingly, this factor weighs in favor of approving the Agreement.

22 **2. The Difficulties to be Encountered in the Matter of Collection**

23 The Trustee believes that this factor does not apply here. If the Parties were to litigate
24 their disputes to an ultimate conclusion, and the Court found in favor of the Debtor, the Debtor
25 likely would not be entitled to any recovery from the Claimants. With no award to recover,
26 collectability of a judgment from the Claimants is irrelevant to this analysis.

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1 **3. The Complexity of the Litigation and Subsequent Expense, Inconvenience,**
2 **and Delay**

3 The Action constitutes a multitude of (as many as 36) factually distinct individual claims.
4 Resolving the disputes between the Debtor and Trustee, on the one hand, and the Claimants, on
5 the other hand, through litigation would require numerous separate jury trials to determine
6 significant and difficult issues of fact, and complex issues of liability and calculation of damages
7 under state tort law, including determination of liability, determination of comparative fault,
8 determination of the appropriate amount of damages if any fault of the Debtor is found,
9 determination of factual and legal issues concerning the tort and medical malpractice claims
10 asserted in the Action, and if liability is found, determination of damages to be awarded for each
11 Claimant. In addition, if a jury were to find the Debtor liable, additional evidence including
12 expert testimony would be required to conduct complex damages calculations. The Parties would
13 incur substantial expense in conducting discovery, performing legal research, obtaining expert
14 testimony, and otherwise preparing for and conducting multiple jury trials.

15 Moreover, litigation in state court to the conclusion of each of the Claims would cause
16 significant delay to the administration of this case; it would be nearly impossible for the Trustee
17 to successfully propose and confirm a chapter 11 plan of reorganization without first liquidating
18 the Claims.

19 The procedure agreed to in the Agreement will provide for the liquidation of the Action
20 and Claims asserted by the Claimants without the need for further litigation. The Agreement will
21 place the settlement fund in the control of the Claimants, and the Claimants and their counsel will
22 be solely responsible for the administration of the process they have created for resolving the
23 amount of each claim and its respective share of the settlement proceeds. The Agreement
24 therefore has the further benefit of eliminating any administrative cost and burden on this Estate
25 and this Court in the administration of the settlement fund.

26 For the foregoing reasons, this factor weighs heavily in favor of approving the Agreement.

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1 **4. The Paramount Interest of Creditors, and Proper Deference to their**
2 **Reasonable Views**

3 As set forth above and in the attached Casey Declaration, the Trustee believes that the
4 Agreement is in the best interest of creditors because it will resolve the Action and Claims,
5 without any payment from the Estate, and while minimizing further costs, risks and delays
6 associated with litigating the Action or the Claims. The Trustee does not believe that the Estate
7 and its creditors are likely to obtain a more favorable net result through litigation with the
8 Claimants than will be achieved through Court approval and performance of the Agreement.
9 Moreover, the resolution of the Claims and liquidation of the Action provided for in the
10 Agreement will facilitate a speedy conclusion to this bankruptcy case. Consequently, the Trustee
11 believes that the paramount interest of creditors weighs in favor of the Agreement and Court
12 approval thereof.

13 On balance, the four A&C Properties factors weigh strongly in favor of approving the
14 Agreement.

15 **C. The Notice Given is Proper for the Relief Requested in this Motion.**

16 Rule 9019(a) of the Federal Rule of Bankruptcy Procedure requires that, “Notice shall be
17 given to creditors, the United States trustee, the debtor and indenture trustees as provided in Rule
18 2002 and to any other entity as the court may direct.” Although the Trustee has opted to set this
19 matter for hearing, Local Bankruptcy Rule 9013-1(o) permits the relief requested in this Motion
20 to be sought upon notice and an opportunity for a hearing.

21 Here, the notice has been served on the Debtor, Debtor’s counsel, all parties requesting
22 special notice, the Office of the United States Trustee, and all creditors. The Trustee submits that
23 the notice given is proper, and thus, if there is no timely opposition, the Motion should be granted.

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1 IV.
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3 **CONCLUSION**
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5 Based on all of the foregoing, the Trustee submits that the Agreement is a fair and
6 reasonable compromise of disputed matters by creating a procedure to liquidate the Action and
7 Claims without requiring any contribution of Estate resources, and thus is in the best interests of
8 the Estate and its creditors, and should be approved by the Court. Therefore, the Trustee
9 respectfully requests that the Court enter an order granting the Motion and approving the
10 Agreement.

11 Date: November 21, 2023

12 Respectfully submitted,
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14 RINGSTAD & SANDERS LLP
15

16 By: /s/ Todd C. Ringstad
17 Todd C. Ringstad
18 General Bankruptcy Counsel for Thomas H. Casey,
19 Chapter 7 Trustee
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DECLARATION OF THOMAS H. CASEY

I, Thomas H. Casey, declare as follows:

1. I am the duly appointed and acting Chapter 11 trustee for the bankruptcy estate (the “Estate”) of Arian Mowlavi, M. D., Debtor (“Dr. Mowlavi” or “Debtor”). The matters set forth herein are of my own personal knowledge, upon my review of the Court file, my review of documents provided by the Debtor, or upon information and belief where noted, and, if called upon to do so, I could and would competently testify hereto. I make this declaration in support of my Motion for an Order Approving Compromise of Controversy with State Court Claimants (the “Motion”), seeking approval of the agreement attached hereto as Exhibit “1” (the “Agreement”).

2. The Debtor filed a voluntary petition (“Petition”) under Chapter 11 of the Bankruptcy Code on February 21, 2022 (the “Petition Date”), with the United States Bankruptcy Court for the Central District of California, Santa Ana Division.

3. I am informed and believe that the Debtor is a licensed physician in the State of California, operating a medical practice known as A.M. Cosmetic Surgery Clinics, Inc.

4. On July 13, 2022, creditors describing themselves as the “State Court Tort and Medical Malpractice Claimants” (referred to herein as “Claimants”) filed a Motion for Order Re: Appointment of a Chapter 11 Trustee Pursuant to Section 1104(a) of the Bankruptcy Code (the “Trustee Motion”) [Doc. 104], and related pleadings. After several hearings, briefing by multiple parties, and the appointment of and report by an examiner, the Court found cause to order the appointment of a Chapter 11 trustee. *See* Doc. 193. On December 27, 2022, the Court entered an order approving my appointment as Chapter 11 Trustee. *See* Doc. 203.

5. On March 14, 2022, the Claimants filed a First Amended Complaint for Damages: (1) Battery; (2) Negligent Hiring, Training, Supervision and Retention; (3) Medical Battery; (4) Intentional Misrepresentation; (5) Negligent Misrepresentation; (6) Fraudulent Concealment; (7) Medical Malpractice; (8) Lack of Informed Consent; (9) Negligence Per Se; (10) Violations of Business Code Section 17200; (11) Intentional Infliction of Emotional Distress; (12) Constructive Fraud (Civ. Code §1573); (13) Negligent Failure to Warn; (14) Loss of Consortium; (15) Invasion of Privacy – Public Disclosure of Private Facts; (16) Invasion of Privacy – Appropriation of

1 Name or Likeness; (17) Invasion of Privacy – Use of Name or Likeness; (18) Breach of Fiduciary
2 Duty – Duty of Confidentiality; (19) Breach of Fiduciary Duty – Duty of Undivided Loyalty; (20)
3 Breach of Fiduciary Duty – Failure to Use Reasonable Care; (21) Violation of Civil Code Section
4 3344 – Statutory Misappropriation of Likeness (the “Complaint”), continuing the action currently
5 pending before the Orange County Superior Court (the “State Court”), Case, No. 30-2021-
6 01238424 (the “Action”).

7 6. After the Petition Date, Stretto, Inc. was appointed claims agent in this case. Polis
8 & Associates and/or Ikuta Hemesath LLP filed 36 claims, Stretto Claim Nos. 6, 8-41 and 43
9 (collectively, the “Claims”) on behalf of the State Court Claimants. A chart listing the initials,
10 Stretto Claim No., and amount asserted by each Claimant is attached as Exhibit “2” to this
11 Declaration. A copy of the Complaint was attached to each of the Claims.

12 7. The Debtor disputes the Action and the Claims.

13 8. The Debtor maintained professional liability insurance provided by The Doctor’s
14 Insurance Company (the “Insurance Company”) for the years implicated by the claims of the
15 Claimants. The Insurance Company has provided attorney Terrance J. Schafer as defense counsel
16 to the Debtor. Mr. Schafer has actively negotiated with the Claimants’ counsel on behalf of the
17 Debtor, the Trustee, the Estate and the Insurance Company in an effort to expeditiously liquidate
18 and resolve the Action and each of the Claims and negotiate a streamlined process by which the
19 amount to be paid to each Claimant, if any, shall be determined.

20 9. Rather than continue to engage in expensive and time-consuming litigation over
21 the Debtor and the Estate’s liability for the Action and the Claims, and desiring to resolve the
22 Action and Claims without the delay, expense, and uncertainty of further litigation, the Parties
23 have successfully reached an agreement that will expeditiously liquidate the disputed Action and
24 Claims without the need for further litigation. Furthermore, the Insurance Company has agreed to
25 fund the entirety of the \$6,000,000 settlement fund. A true and correct copy of the Release and
26 Settlement Agreement (the “Agreement”) agreed to between the Claimants, the Debtor, and the
27 Trustee is attached hereto as Exhibit “1.”

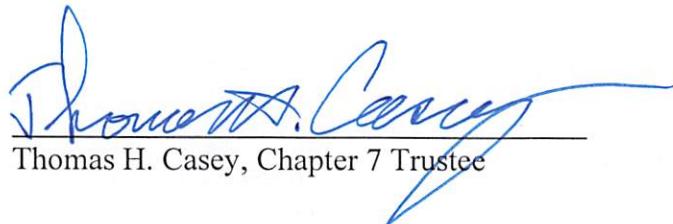
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1 10. Having reviewed and evaluated the Claimants' causes of action asserted against
2 the Debtor, the Estate, and certain related third parties, I believe that the Agreement is in the best
3 interest of creditors. The Agreement will resolve as many as 36 factually unique claims and will
4 provide for funding of the settlement fund entirely by the Insurance Company. It is likely that
5 litigation of these 36 factually unique claims would have cost millions of dollars and resulted in
6 years of delay, and the likely result of such litigation is highly speculative as to each of the
7 claims.

8 11. The Agreement will place the settlement fund in the control of the Claimants, and
9 the Claimants and their counsel will be solely responsible for the administration of the process
10 they have created for resolving the amount of each claim and its respective share of the settlement
11 proceeds. The Agreement therefore has the further benefit of eliminating any administrative cost
12 and burden on this Estate and this Court in the administration of the settlement fund.

13 12. For the foregoing reasons, I believe the Agreement is in the best interests of the
14 Estate and its creditors. The settlement set forth in the Agreement will resolve the Action and the
15 Claims without any payment from the Estate, while eliminating any further costs, risks and delays
16 associated with litigating the Action or the Claims. I do not believe that the Estate and its
17 creditors are likely to obtain a more favorable net result through litigation with the Claimants than
18 will be achieved through Court approval and performance of the Agreement. Consequently, I
19 believe that the paramount interest of creditors weighs in favor of the Agreement and Court
20 approval thereof.

21 I declare under penalty of perjury under the laws of the United States that the foregoing is
22 true and correct to the best of my knowledge. Executed this 2024 day of November, 2023, at
23 Mission Viejo, California.

24 
25 Thomas H. Casey, Chapter 7 Trustee
26
27
28

RELEASE & SETTLEMENT AGREEMENT

This Release & Settlement Agreement is made and entered into by and between defendant, ARIAN S. MOWLAVI, M.D., and all of his representatives, agents, employees, alter egos, related entities, insurers, predecessors, principals, successors-in-interest, heirs and assigns, and Thomas H. Casey, Chapter 11 Trustee ("Trustee") of the bankruptcy estate of ARIAN S. MOWLAVI, M.D. ("The Estate"), **hereinafter "Released Parties"**, and all of the plaintiffs in this action (listed below with their initials from the Complaint), and their representatives, agents, alter egos, related entities, heirs and assigns, **hereinafter "Releasing Parties"**:

[REDACTED] (AMG) and [REDACTED] (GG)
[REDACTED] (BC)
[REDACTED] (BH)
[REDACTED] (CC)
[REDACTED] (CJ)
[REDACTED] (CL)
[REDACTED] (CSJ)
[REDACTED] (DP)
[REDACTED] (GC)
[REDACTED] (JH)
[REDACTED] (KA)
[REDACTED] (KM) and [REDACTED] (MM)
[REDACTED] (LG)
[REDACTED] (LS)
[REDACTED] (MP)
[REDACTED] (NB)
[REDACTED] (SL)
[REDACTED] (TA) and [REDACTED] (JA)
[REDACTED] (VS)
[REDACTED] (JLA)
[REDACTED] (XA)
[REDACTED] (BB)
[REDACTED] (ME)
[REDACTED] (NF)
[REDACTED] (AG)
[REDACTED] (LLG)
[REDACTED] (EL)
[REDACTED] (BP)
[REDACTED] (MS)
[REDACTED] (SS)
[REDACTED] (DV) and [REDACTED] (RV)
[REDACTED] (KD)

1. This Release & Settlement Agreement is entered into with reference to the following facts:

2. Releasing Parties, as plaintiffs, or potential plaintiffs, and Released Parties, as defendants or potential defendants, are parties to an action in tort for damages venued in Orange County Superior Court, Case No. 30-2021-01238424 (hereinafter "The Action");

3. ARIAN S. MOWLAVI, M.D. is presently a debtor in a bankruptcy case pending in the United States Bankruptcy Court, Central District of California as Case No. 8:22-bk-10296-SC ("The Bankruptcy Case").

4. Each of the Releasing Parties listed above have filed claims in The Bankruptcy Case ("The Bankruptcy Claims").

5. The parties to this litigation desire to fully and completely settle and resolve all claims and potential claims by the Releasing Parties arising out of any prior medical services, including each and every individual and derivative claim against the Released Parties, as well as any potential future claims for wrongful death.

6. The Doctor's Company, on behalf of the Released Parties, agrees to pay the Releasing Parties and their attorneys of record the total sum of \$6,000,000.00 in full and complete settlement of The Action ("The Settlement Consideration"), and all claims therein, upon execution of this Release & Settlement Agreement by Releasing Parties, as well as delivery to counsel for Released Parties of the fully executed Request for Dismissal with prejudice of The Action as to all defendants. The settlement drafts totaling \$6,000,000.00 shall be made payable to the Ikuta Hemesath Client Trust Account and shall be payable within 50 days of this fully executed Release & Settlement Agreement being provided to counsel for Released Parties.

7. Subject to the approval of the Bankruptcy Court, the Trustee has agreed to authorize the payment of The Settlement Consideration. The Trustee shall promptly seek to obtain the approval of the Bankruptcy Court to this Agreement and to the payment of The Settlement Consideration. Within five business days of full execution of this Agreement, the Trustee shall file a Motion under Bankruptcy Rule 9019 for Court approval of this Agreement in The Bankruptcy Case.

8. All sums set forth herein, and all settlement proceeds, either by lump sum or by periodic payments, constitute damages on account of personal physical injuries or physical sickness, within the meaning of 26 U.S.C. Section 104(a)(2) and California Revenue & Taxation Code, Section 17131. The Released Parties reserved the right to introduce, pursuant to California Civil Code, Section 3333.1(a), evidence of payments and benefits made by collateral sources and intended to do so at the time of any trial.

9a. Releasing Parties agree that the allocation and distribution of the \$6,000,000 between the Releasing Parties shall be determined by the Honorable Linda S. Marks, Retired Judge of Judicate West. Judge Marks will be provided all pictures, medical records, bills, and other pertinent documents as part of her decision process. Each Releasing Party will also have the right to submit a two-page summary and/or a video not to exceed 5 minutes for submission to Judge Marks for her consideration.

9b. Judge Marks's decisions regarding allocation and distribution will be binding. Once Judge Marks makes her decision as to allocation of the funds, there will be no rights of any Releasing Party to seek reconsideration, appeal, or opt out of Judge Marks' decision. The costs of utilizing Judge Marks as an allocation officer shall be borne entirely by Releasing Parties. The overall costs of this matter incurred by the attorneys for the Releasing Parties shall be apportioned in proportion to Judge Marks' allocation.

10. In consideration of the provisions provided for in each of the paragraphs herein, Releasing Parties and their representatives, agents, alter egos, related entities, heirs and assigns hereby release and forever discharge the Released Parties, their representatives, agents, employees, alter egos, related entities, insurers, predecessors, principals, successors-in-interest, heirs and assigns from any and all past, present or future claims, demands, liens of any kind, including but not limited to, legal liens and medical liens, obligations, actions, causes of action, claimed rights and damages, costs, expenses, compensation of any nature, whether for compensatory or other damages, with which the Releasing Parties, their heirs, successors or assigns now have or which may hereinafter accrue or otherwise be acquired on account of, or in any way arising out of, or which are the subject of, The Action.

11. The Releasing Parties hereby absolutely and forever release and discharge the Released Parties from any and all matters which are the subject of the Complaint in The Action, including, but without limitation, any and all known or unknown claims for wrongful death, personal injuries and/or property damage, and/or other damages, and the consequences thereof, which may have resulted or result from the alleged acts or omissions of the Released Parties, as included in any and all alleged causes of action by said Releasing Parties against the Released Parties in The Action and which are the subject matter of The Action.

12. This Release & Settlement Agreement shall be fully binding and operate as a complete release of all claims being asserted by the Releasing Parties, and all parties represented by or asserting any claims through the Releasing Parties, against the Released Parties.

13. Within five business days of receipt of The Settlement Consideration, counsel for the Releasing Parties shall file in The Bankruptcy Case a release and withdrawal of each claim filed in The Bankruptcy Case by the Releasing Parties.

14. Each party to this Release & Settlement Agreement shall bear all attorneys' fees and costs arising from the actions of its own counsel in connection with The Action and this Release & Settlement Agreement.

15. Concurrently with the execution of this Release & Settlement Agreement, counsel for the Releasing Parties shall deliver to counsel for the Released Parties an executed Request for Dismissal with prejudice of The Action with regard to all defendants. Counsel for the Releasing Parties hereby authorizes counsel for the Released Parties to file the Request for Dismissal with prejudice with the court and enter it as a matter of record after confirmation of receipt by counsel for the Releasing Parties of the settlement check or checks totaling \$6,000,000.00.

16. The Releasing Parties hereby represent that there are no known liens or claims for reimbursement or subrogation for medical expenses, wages loss and/or disability benefits received by Releasing Parties that may be asserted as against the Released Parties in The Action, or if any such liens or claims for reimbursement or subrogation do exist, the Releasing Parties agree that those liens are their exclusive responsibility.

17. The Releasing Parties further represent and agree that, to the extent they have or will receive reimbursement or compensation for injuries and damages prayed for as special damages in the Complaint for damages in The Action by private or public insurers, local, state or federal governments, private or public medical plans, or other third Parties providers (hereinafter referred to as "providers"), or subrogation for benefits received by the Releasing Parties, they will assume the exclusive responsibility to reimburse all such monies claimed or which could be claimed by said providers.

18. The Releasing Parties represent and warrant that no other person or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Release & Settlement Agreement, except as otherwise set forth herein; that Releasing Parties have the sole right and exclusive authority to execute this Release & Settlement Agreement and receive the sums specified in it; and that Releasing Parties have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Release & Settlement Agreement.

19. The Releasing Parties agree that neither they nor their attorneys nor their representatives shall publish or cause to be published any disparaging comments about the Released Parties, and to otherwise refrain from posting any negative reviews or comments about the care rendered by the Released Parties in any public forum, social media or website. The Releasing Parties agree to withdraw, take down or delete any prior disparaging comments about the Released Parties that they have posted or published on the internet or any social media platform. The Releasing Parties also agree they shall not publicly disclose any of the terms of this Release & Settlement Agreement, or the allegations giving rise to this litigation, other than what has been disclosed prior to the signing of this Release & Settlement Agreement, except as required by law. Nothing about this confidentiality clause is intended to prevent any party from communicating with the California Medical Board or with their respective tax advisors, and this confidentiality clause expressly does not preclude disclosure of this information in any other litigation, legal proceedings, tax or bankruptcy proceedings. Nothing about this Agreement is intended to preclude any aspect of the testimony of any witness in any ongoing litigation or any other legal proceeding,

including any pending action for civil or criminal penalties against the Released Parties.

20. As an integral and indispensable part of this Release & Settlement Agreement, CHALENE JOHNSON and ARIAN MOWLAVI, M.D. agree to a mutual and full release of all claims with regard to each other, including but not limited to a dismissal with prejudice of all legal proceedings in Orange County Superior Court Case No. 30-2021-01226133, along with any Cross-Complaints, appeals and anti-SLAPP motions.

21. In consideration of the provisions in each paragraph herein, Releasing Parties release the Released Parties by this instrument and agree that it shall be effective as a full and final accord and satisfaction and release of each and every claim or matter which is the subject of The Action against the Released Parties, their representatives, agents, employees, alter egos, related entities, insurers, predecessors, principals, successors-in-interest, heirs and assigns. In furtherance of this intention, Releasing Parties expressly waive Section 1542 of the Civil Code of the State of California, which provides as follows:

"Section 1542: [Certain claims not affected by General Release.] A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

22. Releasing Parties hereby waive and relinquish every right or benefit which they have or may have under Section 1542 of the Civil Code of the State of California to the full extent that they may fully waive such right or benefit with regard to the subject matter of this Release & Settlement Agreement. In accordance with such waiver and relinquishment, the Releasing Parties acknowledge that they are aware that they may hereafter discover facts in addition to or different from those which they now know, or believe to be true with respect to the subject matter of this Agreement, but it is their intention fully, finally and forever to settle and release all claims, known and unknown, suspected or unsuspected, which now exist, may exist, or previously existed for the Releasing Parties against the Released Parties. In furtherance of such intention, the

releases given herein shall be in and shall remain in effect as full and complete releases notwithstanding discovery or the existence of any such additional or different facts.

23. All parties to this agreement acknowledge and warrant that they have been represented by independent counsel of their own choosing throughout any negotiations which preceded the execution of this Release & Settlement Agreement. All parties have read all of the terms of this agreement and have had the opportunity to have it explained to them by their respective attorneys and all parties, fully understand all of the terms and their significance.

24. This Release & Settlement Agreement contains the entire agreement and understanding between the parties concerning the subject matter of this agreement and supersedes and replaces all prior negotiations, proposed agreements and any other agreements, written or oral. All parties acknowledge that no other party nor any agent or attorney of such parties has made any promise, representation, or warranty, express or implied, which is not contained in this agreement to induce the execution of this Release & Settlement Agreement. All parties to this agreement further acknowledge that they are not executing this agreement in reliance on any promise, representation or warranty not contained in this Release & Settlement Agreement.

25. This Release & Settlement Agreement shall in all respects be interpreted, enforced and governed by the laws of the State of California.

26. Releasing Parties agree that by the terms of this Release & Settlement Agreement, their attorneys shall dismiss The Action with prejudice as to all defendants, while bearing their own costs and attorneys' fees, and understand that the effect of that dismissal will be to terminate their right to pursue The Action against the Released Parties and any other defendants, including any known or unknown claims against the Released Parties.

27. It is expressly understood and agreed that this Release & Settlement Agreement is being made solely for the purpose of avoiding the expense and inconvenience of further litigation and it is not to be construed as an admission on the

part of any parties of any unlawful or wrongful conduct, or of any liability to any other parties as alleged in The Action or otherwise, all of which is expressly denied.

28. The Releasing Parties further declare and represent that no promise, inducement or agreement not herein expressed has been made to the Releasing Parties and that this Release & Settlement Agreement contains the entire agreement between the Releasing Parties and the Released Parties and that the terms of the Release & Settlement Agreement are contractual and not a mere recital.

FOR YOUR PROTECTION, CALIFORNIA LAW REQUIRES THE FOLLOWING TO
APPEAR ON THIS FORM:

"IT IS UNLAWFUL TO: (A) Present or cause to be presented any false or fraudulent claim for the payment of a loss under a contract of insurance. (B) Prepare, make or subscribe any writing with intent to present or use the same or to allow it to be presented or used in support of any such claim. Every person who violates any provision of this section is punishable by imprisonment in the State prison, not exceeding three years or by fine not exceeding \$1,000.00 or both."

29. The Releasing Parties agree and warrant that they have carefully read and understand the terms of this Release & Settlement Agreement and that they have not relied upon the representations or advice of any other parties or attorneys not their own. This Release & Settlement Agreement, and the terms and conditions expressed herein, were determined in negotiations between the Releasing Parties and Released Parties and their respective counsel and representatives.

BY THEIR SIGNATURE BELOW, THE RELEASING PARTIES ACKNOWLEDGE THAT THEY HAVE READ THIS RELEASE & SETTLEMENT AGREEMENT AND FULLY UNDERSTAND IT AND AGREE AND RELEASE ANY AND ALL CLAIMS WHICH THEY MAY HAVE AGAINST THE RELEASED PARTIES OR WHICH RELATE IN ANY WAY OR WERE CAUSED BY THE INCIDENTS AS DESCRIBED IN THE ACTION (ORANGE COUNTY SUPERIOR COURT CASE NO. 30-2021-01238424).

DATED: 10/30/2023

BY:

— DocuSigned by —

Digitized by srujanika@gmail.com

(AMG)

DATED: 10/31/2023 BY: [REDACTED] (A4D040EBD1D54AC) (GG)

DATED: 11/1/2023 BY: [REDACTED] (E674E994DD9949B) (BC)

DATED: 10/28/2023 BY: [REDACTED] (BH)

DATED: 10/27/2023 BY: [REDACTED] (5EC0246B9B4E480) (CC)

DATED: 11/2/2023 BY: [REDACTED] (13C8F1F9780642A) (CJ)

DATED: 11/1/2023 BY: [REDACTED] (D13CC67B782A49B) (CL)

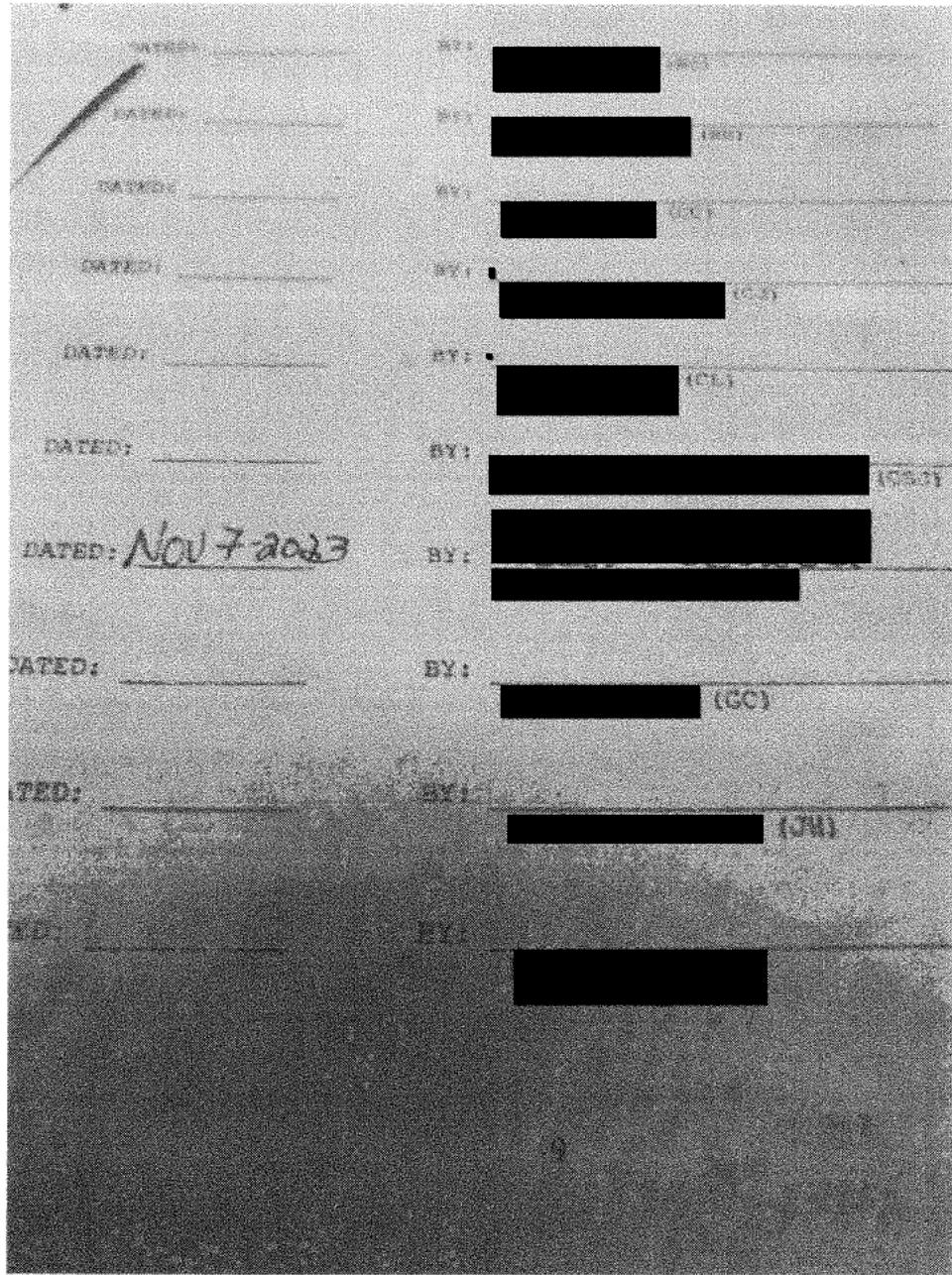
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DATED: _____ BY: [REDACTED] (DP)

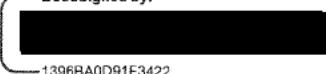
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DATED: 10/27/2023 BY: [REDACTED] (86226B42D5044B2) (JH)

DATED: 11/8/2023 BY: [REDACTED] (720FAA5B7E5B4C9) (KA)



DATED: 10/27/2023

BY: 
1396BA0D91E3422
(KM)

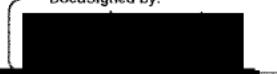
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BY: 
(MM)

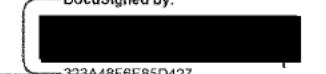
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BY: 
05FB47BFB4A4123
(LG)

DATED: 10/27/2023

BY: 
(LS)

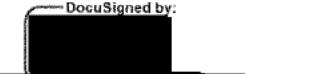
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BY: 
322A48E8E8SD427
(MP)

DATED: 11/4/2023

BY: 
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(NB)

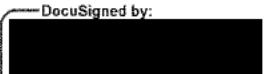
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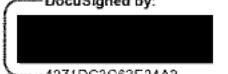
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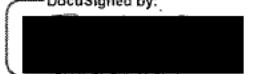
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BY: 
4271DC3C82E24A3
(VS)

DATED: 10/30/2023

BY: 
5001E3BED03BA4B6
(JLA)

DATED: 10/28/2023

BY: 
101720F90E714A7
(XA)

DATED: 11/3/2023

BY: [REDACTED] (BB)
ACC2E198184A480

DATED: 10/26/2023

BY: [REDACTED]

DATED: 10/28/2023

BY: [REDACTED] (NF)
33EB8B74069D426

DATED: 11/11/2023

BY: [REDACTED] (AG)
BC623050AA2E475

DATED: 10/28/2023

BY: [REDACTED] (LLG)
DocuSigned by:

DATED: 10/27/2023

BY: [REDACTED] (EL)
DocuSigned by:
7DE80EEE25CA4D6

DATED: 11/17/2023

BY: [REDACTED] (BP)
DocuSigned by:
64F94761C252148

DATED: 10/28/2023

BY: [REDACTED] (MS)
DocuSigned by:

DATED: 10/27/2023

BY: [REDACTED] (SS)
DocuSigned by:

DATED: 11/2/2023

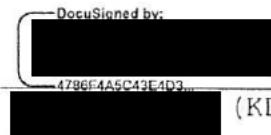
BY: [REDACTED] (DV)
DocuSigned by:

DATED: 11/2/2023

BY: [REDACTED] (RV)
DocuSigned by:

DATED: 11/11/2023

BY:



(KD)

AGREED AND ACCEPTED SUBJECT TO BANKRUPTCY COURT APPROVAL:

DATED: 11/20/23

BY:

A handwritten signature in blue ink that reads "Thomas H. Casey".

Thomas H. Casey, Chapter 11
Trustee of the Estate of ARIAN S.
MOWLAVI, M.D.

Exhibit "2"

Claimant Initials	Claim No.	Claim Amt.
AMG	37	\$ 562,060.00
GG	18	\$ 250,000.00
BC	22	\$ 341,054.00
BH	19	\$ 250,500.00
CC	23	\$ 289,602.45
CJ	24	\$ 2,445,648.00
CL	25	\$ 914,395.66
CSJ	26	\$ 269,243.92
DP	6	\$ 261,500.00
GC	27	\$ 269,243.92
JH	28	\$ 364,485.00
KA	29	\$ 766,536.40
KM	30	\$ 323,916.59
MM	8	\$ 250,000.00
LG	9	\$ 266,725.00
LS	10	\$ 269,040.00
MP	31	\$ 289,300.00
NB	11	\$ 304,616.70
SL	32	\$ 280,000.00
TA	12	\$ 329,207.06
JA	13	\$ 250,000.00
VS	33	\$ 902,411.85
JLA	38	\$ 298,261.50
XA	20	\$ 284,462.36
BB	14	\$ 360,102.56
ME	39	\$ 585,000.00
NF	34	\$ 299,146.00
AG	40	\$ 336,876.22
LLG	41	\$ 259,400.00
EL	35	\$ 337,738.28
BP	15	\$ 1,278,222.31
MS	36	\$ 372,270.00
SS	21	\$ 311,267.66
DV	16	\$ 590,917.24
RV	17	\$ 250,000.00
KD	43	\$ 284,468.73
		\$ 16,297,619.41

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 4910 Birch Street, Suite 120, Newport Beach, CA 92660.

A true and correct copy of the foregoing document entitled (*specify*): **CHAPTER 11 TRUSTEE'S AMENDED MOTION FOR ORDER APPROVING COMPROMISE OF CONTROVERSY WITH STATE COURT TORT CLAIMANTS; MEMORANDUM OF POINTS AND AUTHORITIES; AND DECLARATION OF THOMAS H. CASEY** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On November 21, 2023, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Thomas H Casey (TR)** msilva@tomcaseylaw.com, thc@trustesolutions.net
- **Michael J Hauser** michael.hauser@usdoj.gov
- **Karen S. Naylor** Becky@ringstadlaw.com,
Karen@ringstadlaw.com;Arlene@ringstadlaw.com
- **Misty A Perry Isaacson** misty@ppilawyers.com,
ecf@ppilawyers.com;pagterandperryisaacson@jubileebk.net
- **Thomas J Polis** tom@polis-law.com, paralegal@polis-
law.com;r59042@notify.bestcase.com
- **Todd C. Ringstad** becky@ringstadlaw.com, arlene@ringstadlaw.com
- **Nanette D Sanders** becky@ringstadlaw.com, arlene@ringstadlaw.com
- **Ashley M Teesdale** ashley@ringstadlaw.com,
becky@ringstadlaw.com;arlene@ringstadlaw.com
- **Tamar Terzian** tamar@terzlaw.com, sandra@terzlaw.com
- **United States Trustee (SA)** ustpregion16.sa.ecf@usdoj.gov
- **J Scott Williams** jwilliams@williamsbkfirm.com, g24493@notify.cincompass.com

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On _____, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL

(state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

November 21, 2023
Date

Becky Metzner
Printed Name

/s/ Becky Metzner
Signature